

UNITED STATES DEPARTMENT OF THE INTERIOR

Bureau of Land Management
5665 Morgan Mill Road
Carson City, Nevada 89701

RECORD OF DECISION

May 31, 2006

**RIGHT-OF WAY N-76800
NORTH VALLEYS RIGHT-OF-WAY PROJECT
FISH SPRINGS RANCH, LLC**

INTRODUCTION

Fish Springs Ranch (FSR) submitted an application with the (BLM) for a right-of-way (ROW) grant under Title V of the Federal Land Policy and Management Act (FLPMA) of 1976 (43 U.S.C. 1761), for the construction and operation of a 28 mile water transmission pipeline and associated facilities on private and public land in Washoe County, Nevada (see attached map, Fig. 2-1).

The Bureau of Land Management Carson City Field Office (BLM) received separate water supply and transmission ROW applications from the Fish Springs Ranch LLC (FSR) and Intermountain Water Supply LTD (IWS), two independent water companies, proposing projects in Washoe County, Nevada. The BLM determined the proposed projects would require analysis through an environmental impact statement (EIS) and due to the same timing, geography, and similarity of the types of actions, the two proposals would be analyzed in one EIS, together known as the North Valleys Rights-of-Way Projects EIS. In addition, each proposed project requires a separate, stand-alone record of decision (ROD). This ROD is for the FSR Project.

Cooperating agencies for the EIS are the U.S. Fish and Wildlife Service; U.S. Bureau of Indian Affairs; U.S. Geological Survey; Sierra Army Depot; Pyramid Lake Paiute Tribe; Susanville Indian Rancheria; California Department of Water Resources; California Department of Fish and Game; Lassen County, CA; Washoe County, NV; Truckee Meadows Water Authority; Airport Authority of Washoe County; Truckee Meadows Regional Planning Agency; and the Cities of Reno and Sparks. BLM and FSR personnel presented the proposed project and the EIS process at several public venues to solicit comments for the EIS.

DECISION

Based upon the analyses in the Draft EIS (DEIS) and the Final EIS (FEIS), I have determined that the implementation of the Agency Preferred Alternative, described in the FEIS as Alternative A – Construct Pipelines within Common Right-of-Way (see attached map, Fig. 2-7), will not cause unnecessary or undue degradation of public land. This alternative is comprised of all components of the Proposed Action but requires that both the FSR and IWS pipelines be constructed inside a common ROW extending from the point of intersection of the IWS and FSR pipeline in Dry Valley to a point in Antelope Valley where each pipeline diverges to their respective terminus sites. By this decision and as Authorized Officer of the Carson City BLM, I approve issuance of FLPMA ROW

grant N-76800 to FSR for the public land portion of the project, for a buried water transmission pipeline and associated facilities as described in Alternative A, subject to compliance with all pertinent Federal, State, and local laws or requirements and the mitigating measures described in this ROD. The ROW grant will have widths varying from 50 feet to 60 feet, with additional temporary construction widths varying from 25 feet to 35 feet. In addition, I approve issuance of a ROW grant within the boundaries of ROW grant N-76800 for the public land portion of the project for electric distribution lines associated with the FSR water transmission pipeline as described in Alternative A, subject to compliance with all pertinent Federal, State, and local laws or requirements and the mitigating measures described in this ROD to a qualified applicant, upon receipt by BLM of a complete ROW application. The ROW grants will be issued for 30-year terms and may be renewed if appropriate and will be subject to the regulations under Title 43, Code of Federal Regulations, Part 2800 (43 CFR 2800). The following Special Use Permit and associated conditions of approval are adopted by the BLM and incorporated into this ROD (see attached):

- Special Use Permit SW05-009 - Washoe County Board of County Commissioners (April 4, 2006)

ALTERNATIVES, INCLUDING THE PROPOSED ACTION AND ENVIRONMENTALLY PREFERABLE ALTERNATIVE

The analysis of alternatives in the FEIS included the Proposed Action, Alternative A – Construct Pipelines within Common Right-of-Way, and No Action Alternative. A full description of each alternative can be found in Chapter 2 of the FEIS.

Proposed Action: The FSR Proposed Action is to construct production wells, water collection and transmission pipelines, pump stations, water storage tanks, a buried telemetry system, electrical substation and electrical distribution lines to convey up to a maximum of 8,000 af/yr of water to the Stead/Lemmon Valley Area. The water transmission pipeline would extend from six production wells in southeastern Honey Lake Valley southward through Dry Valley, Bedell Flat, Antelope Valley, to a terminal storage tank at the divide between Antelope Valley and Lemmon Valley. The 28-mile pipeline would be constructed within a 50-foot-wide permanent ROW with an additional 25-foot-wide temporary construction ROW. Approximately 16 miles of the pipeline will be constructed adjacent to the existing ROW for the Tuscarora Gas Pipeline and a small section of the Alturas Powerline ROW.

Alternative A – Construct Pipelines within Common Right-of-Way: Alternative A is comprised of all components of the Proposed Action including installation of production wells, water collection and transmission pipelines, pump stations, water storage tanks, a buried telemetry system, electrical substation and electrical distribution lines, but requires that both FSR and IWS pipelines be constructed within a common ROW for a portion of the route. Alternative A requires that the individual pipelines will be constructed inside a common 60-foot-wide permanent ROW extending from the point of intersection for the IWS and FSR pipeline in Dry Valley to a point in Antelope Valley where each pipeline diverges to their respective terminus sites. Each temporary construction ROW is 35 feet-wide on each side of the common 60-foot-wide permanent ROW and totals 130-feet. Total linear distance shared is approximately 13.5 miles.

Environmentally Preferable Alternative: Although the EIS analyzes the entire route(s) of the pipeline(s), certain portions would occur on private lands and under the authority of Washoe County. The National Environmental Policy Act (NEPA), as interpreted through the regulations promulgated by the Council on Environmental Quality (CEQ), requires that the Record of Decision for any Federal action also identify the “environmentally preferable” alternative. Because construction of any type is disruptive to the resources in the immediate area, none of the “action” alternatives could be described as environmentally preferable. Rather, the No Action Alternative, as described in the FEIS, would result in no disturbance to the environment. Both “action” alternatives would result in approximately the same scope of impacts to the human environment, Alternative A results in 14 acres less surface disturbance each (28 acres total) for FSR and IWS.

MANAGEMENT CONSIDERATIONS

The ROW approved by this ROD provides for the construction of a water pipeline in an area where such construction is in conformance with the *Carson City Field Office Consolidated Resource Management Plan (BLM 2001)* which does not restrict ROWs for underground pipelines to designated corridors. The BLM requires ROWs contain terms and conditions to minimize damage to scenic and aesthetic values, protect fish and wildlife habitat, protect the environment, and assure compliance with applicable air and water quality standards. Land Use Master Plans for the cities of Reno and Sparks, Washoe County, and the Washoe County Regional Open Space Plan, designate natural, visual, and cultural resources important to the community and are major considerations in analyzing utility proposals.

The alternative to the Proposed Action was developed with input from the following:

- The general public through scoping;
- Members of the Washoe County Citizen Advisory Board for the North Valleys;
- Members of the City of Reno Neighborhood Advisory Board for North Valleys;
- Representatives from the cooperating agencies (U.S. Fish and Wildlife Service; U.S. Bureau of Indian Affairs; U.S. Geological Survey; Sierra Army Depot; Pyramid Lake Paiute Tribe; Susanville Indian Rancheria; California Department of Water Resources; California Department of Fish and Game; Lassen County, CA; Washoe County, NV; Truckee Meadows Water Authority; Airport Authority of Washoe County; Truckee Meadows Regional Planning Agency; and the Cities of Reno and Sparks.)

Alternative A falls within the jurisdiction of Washoe County and requires a Special Use Permit for construction of the pipeline. In addition, the Truckee Meadows Regional Planning Commission has responsibility for review of projects of regional significance.

U.S. Fish and Wildlife Service

On May 16, 2006 the U.S. Fish and Wildlife Service (USFWS) issued their biological opinion on the FSR pipeline project and its effects on the endangered Carson wandering skipper (CWS) in accordance with section 7 of the Endangered Species Act of 1973, as amended (Act) (16 U.S.C. 1531 et seq.). The conclusion states: “After reviewing the current status of the CWS, the environmental baseline, the effects of the applicant’s proposed project, and the cumulative effects, it is the Service’s biological opinion that the construction and implementation of the Fish Springs

Ranch LLC Water Pipeline Project, as proposed, is not likely to jeopardize the continued existence of the CWS. No critical habitat has been designated for this species, therefore none will be affected.”

Nevada Division of Water Resources

Water rights, pumping rates, water quantity, and place of use are under the authority of the Nevada Division of Water Resources, Nevada State Engineer (State Engineer). In March 1991 the State Engineer approved the importation of 13,000 af/yr of existing agricultural use water rights from the Fish Springs Ranch to municipal use for the Stead/Lemmon Valley area. The State Engineer’s decision was appealed by Lassen County, California and the Pyramid Lake Paiute Tribe. In 1992 the Second Judicial Court in Reno reversed and remanded the State Engineer’s approval. In October 1992, the State Engineer issued a Supplemental Ruling that again approved the inter-basin transfer of 13,000 af/yr. A motion to vacate that ruling was denied by the Second Judicial Court in February 1993. The case was subsequently appealed to the Nevada Supreme Court, which confirmed the Supplemental Rulings on Remand in June 1996.

At the beginning of the North Valleys Rights-of-Way Projects EIS process the Nevada Division of Water Resources was asked by the BLM to participate as a Cooperating Agency. Although the agency chose not to participate, the State Engineer was on the mailing list with the other Cooperating Agencies and was provided all the same information and documents throughout the EIS process. The Forty Most Asked Questions Concerning CEQ’s NEPA Regulations (46 Fed. Reg. 18026 [March 23, 1981], as amended, 51 Fed. Reg. 15618 [April 25, 1986]) number 19b. states “All relevant, reasonable mitigation measures that could improve the project are to be identified, even if they are outside the jurisdiction of the lead agency or the cooperating agencies, and thus would not be committed as part of the ROD’s of these agencies.”

A Recommended Water Resources Monitoring and Management Plan for Future Pumping in Honey Lake Valley, Dry Valley, and Bedell Flat, Nevada (Plan) was included in Appendix D of the Final EIS. The Plan was developed and recommended in coordination with the Cooperating Agencies and consists of four principal components: 1) Monitoring Requirements – related to production wells, monitoring wells, elevation control, spring flow, water quality, precipitation stations, quality of data, and reporting; 2) Management Requirements – related to the creation and role of a Water Advisory Committee (WAC), and a subcommittee of the WAC – the Technical Advisory Committee (TAC); 3) Mitigation Measures; and 4) Modification of Plan. A meeting was held in December 2005 between the BLM Field Office Manager and members of the State Engineer’s staff to discuss the Plan. Although the staff members were noncommittal, there was no indication of any objection or opposition to the Plan. The Plan was revised (to incorporate additional comments from the Cooperating Agencies) and sent to the State Engineer for consideration on May 2, 2006 (see attached letter and Revised Plan). Although there has been no communication from that office, it is the opinion of the BLM that the State Engineer is likely to accept the Plan.

Truckee Meadows Regional Planning Commission

A component of the FSR project is construction of a new electrical substation on private land. On February 22, 2006 the Truckee Meadows Regional Planning Commission conducted a public hearing for a Regional Plan Conformance Review – Project of Regional Significance, Fort Sage Substation, a proposed new electrical substation, located north of the Fort Sage Mountains in the

southern portion of Honey Lake Valley. The motion to accept the Fort Sage Substation was carried unanimously by the Truckee Meadows Regional Planning Commission.

Washoe County.

On November 15, 2005 the Washoe County Planning Commission unanimously denied the Special Use Permit SW05-009 for Fish Springs Ranch, LLC to construct and operate six wells and associated water pipelines and facilities. An appeal of the denial of the special use permit by the Washoe County Planning Commission was filed by FSR and went before the Washoe County Commission on December 13, 2005. The appeal was granted and the denial by the Washoe County Planning Commission of Special Use Permit Case No. SW05-009 for the Fish Springs Water Supply Project was overturned.

MITIGATION AND MONITORING

In conjunction with the BLM required mitigation and monitoring, this ROD incorporates the conditions and stipulations prescribed by the Special Use Permit for Washoe County. Considering all pertinent factors, the Agency Preferred Alternative provides for the construction of a pipeline in the least impacting manner. All practicable methods to avoid or minimize environmental harm from the selected alternative have been adopted.

Prior to startup of the project, a plan of development (POD) will be developed by FSR, and reviewed and approved by the BLM, that outlines the specifics of how the project will be constructed and operated and list monitoring measures to ensure commitments are fulfilled.

The following mitigation and monitoring measures have been developed by the BLM and the Cooperating Agencies to reduce potentially adverse impacts. These measures are virtually the same as those described in Chapter 4 of the FEIS and are summarized in this ROD. These measures are in addition to the FSR proposed construction, ROW preparation, and reclamation activities outlined in Chapter 2 of the FEIS. This ROD expressly incorporates each of the following requirements:

Geology, Minerals, and Paleontology

If rare plant, vertebrate, or invertebrate fossils are discovered during construction, BLM will be contacted to determine steps necessary to preserve the fossils.

Air Resources

- Water will be applied to active construction sites during weekends, nights, and holidays especially during windy conditions.
- Vehicles hauling soil or other loose materials that could be a source of dust emissions will be covered with a tarp or other means.
- Soil stabilizers will be applied to soil stockpiles to prevent wind erosion.
- Track-out devices will be used on vehicles before entering paved roads.
- Public road surfaces will be washed or swept to remove track-out.
- Traffic speeds will be limited on access roads and construction areas.
- Soil stabilizers will be applied to disturbed areas within five days of completion of activity at each site.
- Disturbed areas will be reclaimed as soon as practicable after completion of construction.

Water Resources

- Stream channel crossings will be constructed in accordance with applicable State Stream Alteration Permits, U.S. Army Corps of Engineer requirements, and land management agencies. Soil will be stockpiled approximately 10 feet from the top of channel banks, but within the ROW.
- Where flowing water is encountered during construction, sediment barriers will be installed after initial disturbance of the stream channel or adjacent upland. Sediment barriers will be properly maintained throughout construction and reinstalled as necessary.
- After pipe installation, stockpiled growth media will be used to restore banks of the channel to a stable configuration as close to preconstruction contours as possible.
- Construction in streams and wetlands will be expedited to minimize the duration of turbidity-causing activities.
- An alignment will be selected that minimizes stream crossings.
- Construction in stream crossings will be scheduled during periods of low or no flow.
- BLM will conduct periodic inspections of the ROW during and after construction to identify necessary maintenance activities.
- Chemicals, fuels, and lubricants will be transported in approved containers and will not be stored within 300 feet of a stream crossing. Sorbent material will be maintained on-site to absorb spills of petroleum products that may occur during construction activities.

Soil Resources

Prior to trenching activities, the Washoe County Soil Survey prepared by the Natural Resources Conservation (NRCS) should be referenced to determine the appropriate depth of growth media to salvage. Depth of the growth media will be maximized to assist in successful reclamation. Where possible, topsoil salvage should be no less than 6 inches.

Vegetation Resources

- FSR will use variable seed mixes adapted to slope and aspect, soil depth, and landscape features to reclaim areas disturbed by construction
- Seed and plant shrubs (including sagebrush) in patches rather than uniformly over the area.
- As feasible, FSR will prevent livestock grazing of reclamation until stable and resilient vegetation cover has been established.
- Until desired vegetation is established, monitor disturbed and reclaimed areas for noxious weeds and other undesirable species; if noxious weeds are found, they will be controlled in coordination with BLM.
- Monitor reclamation yearly to assess success of seeding and planting and implement remedial measures if needed.
- Water roads during construction to minimize impacts from dust.
- Conduct searches for cacti and transplant them to suitable habitat undisturbed by construction activities.

To prevent the spread of noxious weeds into previously uninfested areas during construction, FSR will implement the following measures:

- Before construction activities, FSR will apply an acceptable herbicide or employ

conventional mechanical or cultural methods of noxious weed removal in construction areas, staging areas, and other areas that would be disturbed by vehicles or equipment.

- Equipment and vehicles will be cleaned at designated high-pressure air or water wash stations away from waterways before they are used in the project area. Once in the project area, equipment and vehicles would be restricted to approved areas unless work requires entry into noxious weed infested areas. If equipment enters an area containing noxious weeds, it would be cleaned after it exits the area immediately.
- Certified weed-free imported materials, such as straw bales and erosion control seed, will be used during construction, reclamation, maintenance, and operations.
- Noxious weed populations will be monitored annually until revegetation and weed abatement criteria have been met.

Wildlife Resources

- Where feasible, land will be cleared outside the avian breeding season. In areas where land is cleared during the avian breeding season, a qualified biologist will survey the area. If active nests are located or other evidence of nesting is observed, a protective buffer will be delineated and the area avoided until nests are no longer active.
- As feasible, FSR will suspend livestock grazing and trampling on the revegetated pipeline corridor until vegetation is established.
- Seed and plant sagebrush and other fire-sensitive species that have been removed or reduced by wildfire and Project implementation.
- Replace topsoil over pipeline trenches to enhance establishment of sagebrush and other native species.
- Implement best management practices to prevent delivery of sediment to drainages and wetlands along the pipeline route.

Recreation

BLM will provide 30-days prior notice to FSR for all permitted recreational events that will occur in the vicinity of the Project Area during construction activities. This may require a temporary modification of the FSR work schedule to accommodate events.

Noise

- High-noise and blasting activities are limited to daytime hours.
- FSR will install high-grade mufflers on diesel-powered equipment.
- FSR will combine noisy operations to occur for short durations during the same time period.
- Night time construction activities are not authorized.

Visual Resources

- FSR will establish clearly defined construction limits that incorporate irregular shapes to reflect existing forms and patterns.
- Plan revegetation so colors and textures blend with undisturbed land.
- Minimize visual contrast of structures with natural forms by using colors that blend with the land; use finishes that have low levels of reflectivity.
- Paint structures slightly darker than the surrounding landscapes to compensate for the effects of shade and shadow.

- Preserve the undeveloped character of the landscape.

Cultural Resources

- Should residual adverse effects occur to cultural resources, a treatment plan to mitigate adverse effects on eligible sites will be developed in consultation with the BLM, State Historic Preservation Office (SHPO), and local Tribes.
- In the event that cultural resources are discovered during project construction, all construction work in the vicinity of the find will be stopped immediately, the area flagged, and the BLM will be contacted.

Native American Religious Concerns

Native American consultation regarding the FSR pipeline project is and continues to be ongoing. The Pyramid Lake Paiute Tribe, Washoe Tribe of Nevada-California, Susanville Indian Rancheria, and Reno-Sparks Indian Colony were invited to participate in the North Valleys Project EIS process as cooperating agencies. The Pyramid Lake Paiute Tribe and the Susanville Indian Rancheria participated fully as cooperating agencies throughout the EIS process, the Tribes: attended and provided input to cooperating agency working meetings and field tour of the project area; provided comments on the preliminary draft EIS prior to issuance of the public Draft EIS; provided comments on the Draft EIS; provided comments on the *Recommended Water Resources Monitoring and Management Plan for Future Pumping in Honey Lake Valley, Dry Valley, and Bedell Flat, Nevada*; and provided comments on the Final EIS.

In May 2006 a field tour of the project area was conducted with representatives from the four Tribes, project applicants, and the CCFO Field Manager and archaeologist. A follow-up meeting to discuss concerns from what the Tribes observed on the field tour was held a week later. The concerns discussed were in regard to the involvement of the Tribes in the concurrence of eligibility for cultural sites and the Tribes request two tribal monitors on site during testing and subsequent data recovery.

Fire Suppression

FSR shall be responsible for all suppression costs for any fire resulting from their operations and practices.

PUBLIC INVOLVEMENT

FSR submitted an application with the BLM for a ROW grant under Title V of the Federal Land Policy and Management Act (FLPMA) of 1976 (43 U.S.C. 1761), for the construction and operation of a 28-mile water transmission pipeline and associated facilities on private and public land in Washoe County, Nevada. The public scoping period for the EIS was initiated by the publication of a Notice of Intent (NOI) to prepare an EIS on September 15, 2003 by the BLM in the Federal Register and comments were accepted until January 31, 2004. The news media and the public were notified of the public meetings and comment period. Scoping letters describing the Proposed Actions were sent to affected or interested agencies, groups, organizations, and individuals. A public scoping meeting and eight public presentations were held in the area between October 2, 2003 and January 7, 2004. The BLM received 17 written scoping comments.

The Draft EIS (DEIS) Notice of Availability (NOA) was published by the BLM in the Federal Register and the Environmental Protection Agency (EPA) on May 20, 2005 and the 60-day comment period ended July 20, 2005. A news release was distributed via fax to area media (newspaper, radio, and television outlets) with the announcement that the DEIS was available to the public and notification of public meetings. Two public open houses were held in Reno, Nevada in June and July 2005; a public meeting was held in Susanville, California in June 2005; and public presentations were conducted for Washoe County's North Valleys Citizen Advisory Board and the City of Reno's North Valleys Neighborhood Advisory Board in June 2005. A total of 26 comment letters from individuals, private companies, and federal and state agencies were received.

The NOA for the Final EIS (FEIS) was published by the EPA in the Federal Register on November 10, 2005 with a 30-day review/wait period until December 9, 2005. The BLM received 13 written comment letters, faxes, and e-mails.

APPEAL PROCEDURES

This decision may be appealed to the Interior Board of Land Appeals, Office of the Secretary, in accordance with the regulations contained in 43 CFR, Part 4 and Form 1842-1. If an appeal is taken a notice of appeal must be filed at the Bureau of Land Management, Carson City Field Office, 5665 Morgan Mill Road, Carson City, Nevada 89701 and Fish Springs Ranch, 3480 GS Richards Boulevard, Suite 101, Carson City, Nevada 89703 within 30 days from receipt of this decision. The appellant has the burden of showing that the decision appealed from is in error. This Decision will remain in full force and effect during the appeal unless a written request for a Stay is granted.

If the appellant wishes to file a petition pursuant to regulations at 43 CFR 2801.10 or 43 CFR 2881.10 for a stay of the effectiveness of this decision during the time that the appeal is being reviewed by the Board, the petition for a stay must accompany notice of appeal. A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of the notice of appeal and petition for a stay must also be submitted to each party named in this decision and to the Interior Board of Land Appeals and to the appropriate Office of the Solicitor (see 43 CFR 4.413) at the same time the original documents are filed in this office. If the appellant requests a stay, the appellant has the burden of proof to demonstrate that a stay should be granted.

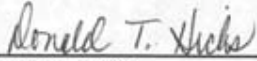
Standards for Obtaining a Stay

Except as otherwise provided by law or by other pertinent regulation, a Petition for a Stay of a Decision pending appeal shall show sufficient justification based on the following standards:

- 1) The relative harm to the parties if the stay is granted or denied,
- 2) The likelihood of the appellant's success on the merits,
- 3) The likelihood of immediate and irreparable harm if the stay is not granted, and
- 4) Whether the public interest favors granting the stay.

RECORD OF DECISION:

North Valleys Rights-of-Way Projects EIS, Fish Springs Ranch ROW N-76800

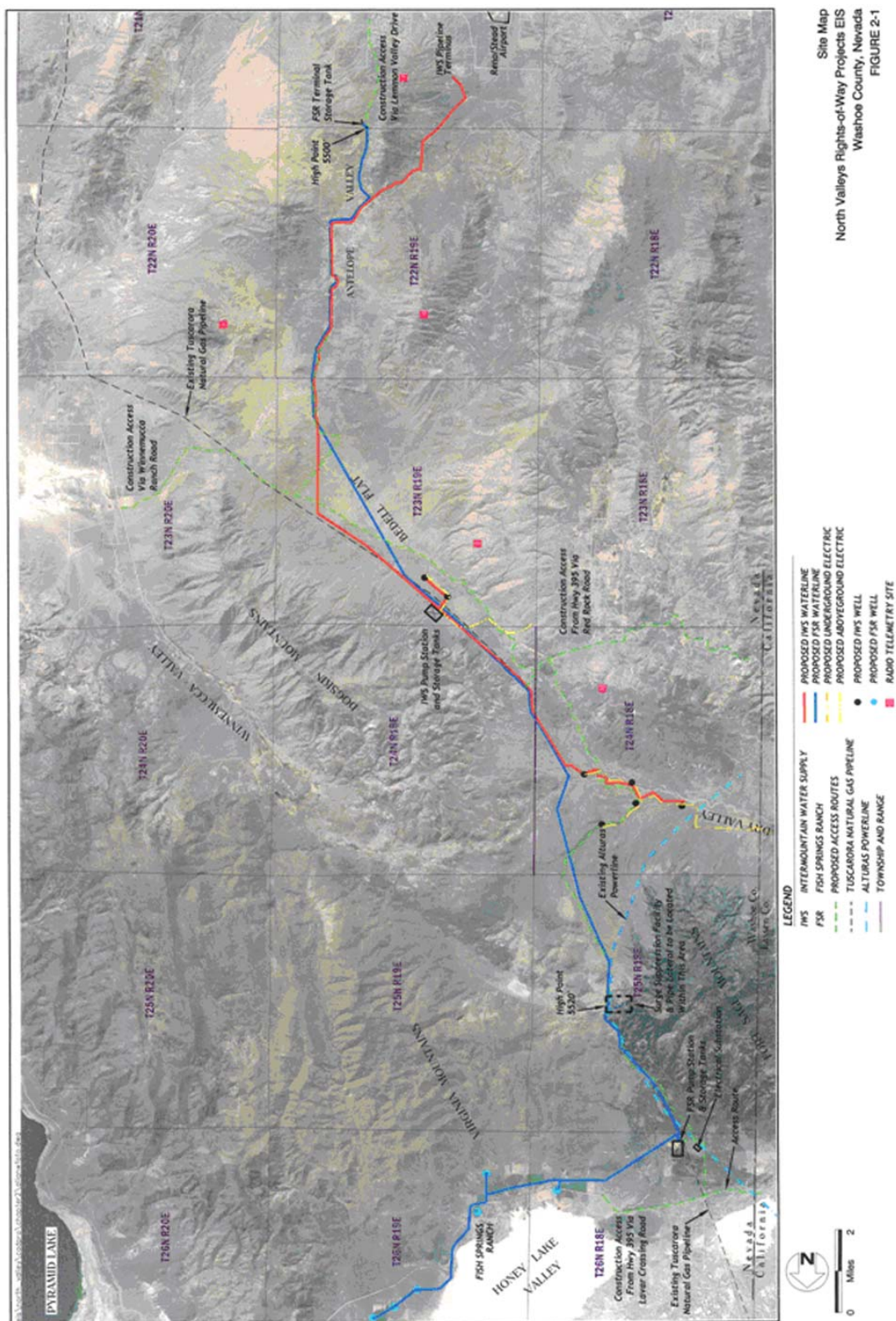


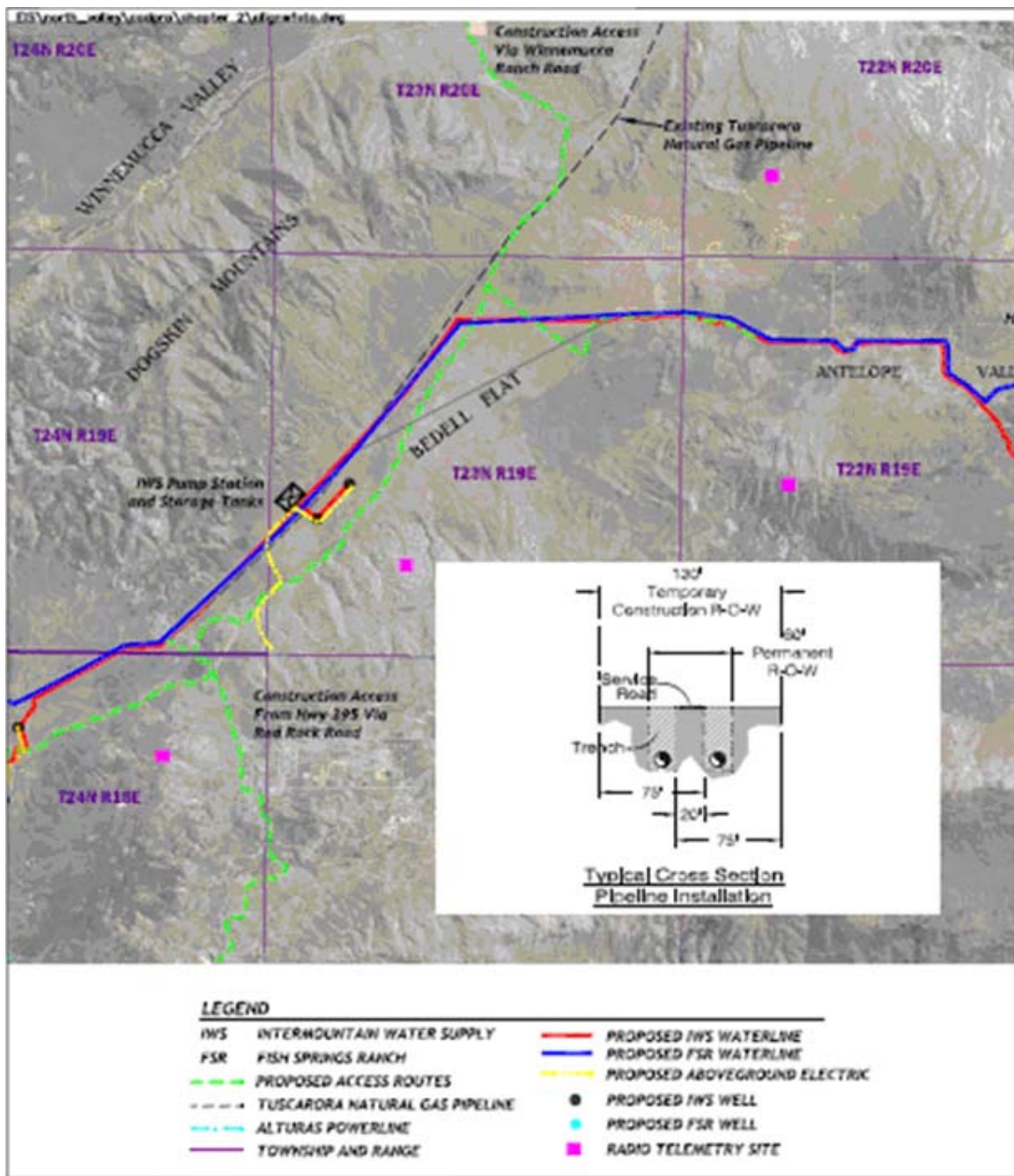
Donald T. Hicks
Manager,
Carson City Field Office

May 31, 2006

Attachments (5):

- Maps (Fig. 2-1 and Fig. 2-7)
- Special Use Permit SW05-009 - Washoe County Board of County Commissioners
- May 2, 2006 Letter to Nevada State Engineer Hugh Ricci and attached *Revised Recommended Water Resources Monitoring and Management Plan for Future Pumping in Honey Lake Valley, Dry Valley, and Bedell Flat, Nevada*
- Form 1842-1, *Information on Taking Appeals to the Board of Land Appeal*





Alternative A
North Valleys Rights-of-Way Projects EIS
Washoe County, Nevada
FIGURE 2-7



OFFICE OF THE WASHOE COUNTY CLERK
AMY HARVEY, COUNTY CLERK

April 4, 2006

Fish Springs Ranch, LLC
Attn: Don Pattalock
704 W. Nye Lane, Suite 201
Carson city, NV 89703

I, Amy Harvey, County Clerk and Clerk of the Board of County Commissioners, Washoe County, Nevada, do hereby certify that as filed with the County Clerk on this date, the Board of County Commissioners, at its regular meeting on January 24, 2006 issued the following order:

06-133 APPEAL CASE NO. AX05-014 – SPECIAL USE PERMIT CASE
NO. SW05-009 – COMMUNITY DEVELOPMENT

Based on the following findings, on motion by Commissioner Weber, seconded by Commissioner Galloway, which motion duly carried with Commissioner Sferrazza absent, Chairman Larkin ordered that the Planning Commission's denial be overturned and Special Use Permit Case No. SW05-009 for the Fish Springs Water Project be approved subject to the following 18 conditions:

FINDINGS

1. That the proposed project is consistent with the action programs, policies, standards and maps of the Comprehensive Plan and the High Desert Area Plan;
2. That the site is physically suitable for the type of development and for the intensity of development;
3. That the issuance of the permit will not be significantly detrimental to the public health, safety or welfare; injurious to the property or improvements of adjacent properties; or detrimental to the character of the surrounding area; and
4. That the Washoe County Board of County Commissioners gave due consideration to the information transmitted from the Washoe County Planning Commission and to the information received during the public hearing.

**CONDITIONS FOR SPECIAL USE PERMIT CASE NO. SW05-009
FISH SPRINGS RANCH, LLC WATERLINE**

Unless otherwise specified, all conditions must be met or financial assurances must be provided to satisfy the conditions prior to submittal for a building permit. The agency responsible for determining compliance with a specific condition shall determine whether the condition must be fully completed or whether the applicant shall be offered the option of providing financial assurances. All agreements, easements, or other documentation required by these conditions shall have a copy filed with the County Engineer and the Department of Community Development.

Compliance with the conditions of this special use permit is the responsibility of the applicant, its successor in interest, and all owners, assignees, and occupants of the property and their successors in interest. Failure to comply with any conditions imposed in the issuance of the special use permit may result in the institution of revocation procedures.

Any operations conditions are subject to review by the Department of Community Development prior to the renewal of a business license each year. Failure to adhere to the conditions may result in withholding renewal of the business license until conditions are complied with to the satisfaction of the Department of Community Development.

Washoe County reserves the right to review and revise the conditions of this approval should it determine that a subsequent license or permit issued by Washoe County violates the intent of this approval.

For the purposes of conditions imposed by Washoe County, "may" is permissive and "shall" or "must" is mandatory.

SPECIFIC CONDITIONS OF APPROVAL

1. A copy of the Clerk's Order stating conditional approval of this special use permit shall be attached to all applications for administrative permits issued by Washoe County, including the required building permits.
2. The applicant shall demonstrate substantial conformance to the plans approved as part of this special use permit. The Department of Community Development shall determine compliance with this condition.
3. The applicant and any successors shall direct any potential purchaser/operator of the site and/or the special use permit to meet with the Department of Community Development to review conditions of approval before the final sale of the site and/or the special use permit. Any subsequent purchaser/operator of the site and/or

the special use permit shall notify the Department of Community Development of the name, address, telephone number, and contact person of the new purchaser/operator within 30 days of the final sale.

4. The Regional Utility Corridor Report, which is a part of the Regional Plan, must be amended to include the proposed electrical substation. Once the Regional Plan is amended to include the substation, the proposed electrical substation must go before the Regional Planning Commission for conformance review. The County will issue no construction permits until this Regional process is completed, and the electrical substation is found to be in conformance with the Regional Plan. The Department of Community Development shall determine compliance with this condition.
5. The applicant shall submit a written waiver request to the Director of the Department of Community Development to the landscaping and parking standards required by the Development Code for the well, pump stations and related tanks, and the electrical substation. If the parking waiver is granted, at least one graveled parking space shall be provided at each site and shall be shown on the building permits. The Department of Community Development shall determine compliance with this condition.
6. All proposed new roads shall have an all-weather surface as approved by the County Engineer. The Department of Community Development shall determine compliance with this condition.
7. In addition to the requirements contained in Section 412 of the Development Code, the following landscaping and parking requirements shall apply for the terminal tanks located on Matterhorn Boulevard.
 - a. The tank(s) shall be set into the side of the hill as much as possible.
 - b. Landscaping and irrigation plans prepared and wet-stamped by a landscape architect licensed in the State of Nevada shall be submitted to the Department of Community Development for approval before the issuance of a building permit for the tank.
 - c. Native, drought-tolerant landscaping shall be preferred, and shall match the vegetation currently at the site. The Bureau of Land Management or the Washoe-Storey Conservation District shall approve plants and seed mix, which shall be adhered to by the applicant.
 - d. Temporary irrigation shall be provided to all revegetated areas for a minimum of three years to establish the vegetation. At the end of three years, staff of the Department of Community Development shall determine the success of the revegetation effort, and may require replanting or reseeding of failed vegetation.

- e. At least two all-weather parking spaces shall be provided. The Department of Community Development shall determine compliance with this condition.
- 8. On non-BLM land, native, drought-tolerant landscaping shall be preferred for all areas disturbed by construction activities, and shall match the vegetation of the surrounding area. Cacti protected under Nevada law shall be salvaged and replanted in undisturbed habitats. The BLM or the Washoe-Storey Conservation District shall approve plants and seed mix, which shall be adhered to by the applicant. The Department of Community Development shall determine compliance with this condition.
- 9. The applicant shall submit an estimate prepared and wet stamped by a landscape architect licensed in the State of Nevada for the revegetation/reseeding of all disturbed area not located on BLM-managed land. A bond or other financial assurance in the amount of 120 percent of this estimate shall be submitted to and held by the Department of Community Development for a period of three years following completion of revegetative efforts to assure reclamation. During these three years, and before the release of the performance bond or other financial assurance, the Department of Community Development may require reseeding/revegetation of those areas where revegetation efforts have failed. The Department of Community Development shall determine compliance with this condition.
- 10. A site perimeter fence for all facilities shall be constructed and shall be detailed on the plans submitted for the building permit for each facility. The fencing shall be coated Sudan brown or approved equivalent in color. The fence around the terminal tank shall have slats of a similar color to minimize visual appearance. The Department of Community Development shall determine compliance with this condition.
- 11. The tanks and all associated exposed facilities shall be painted or coated Sudan brown or equivalent approved color. Control buildings will have a similar earth-tone exterior color. The Department of Community Development will determine compliance with this condition.
- 12. Surplus excavated materials that cannot be used on the project site for backfill or reclamation shall be disposed of either on Fish Springs Ranch property or in an approved landfill. Before material may be deposited at Fish Springs Ranch, plans shall be submitted to the Department of Community Development and the County Engineer for approval outlining the disposition of the materials, and shall detail the methods and/or products that will be taken or used to prevent wind and water erosion. Stockpiling excess material at Fish Springs Ranch for an indefinite period shall not be approved. Applicant shall spread the material over the land at the approved disposal site and shall revegetate the imported material on a continuous

basis with a seed mix approved by the Washoe-Storey Conservation District or the BLM. The Department of Community Development shall determine compliance with this condition.

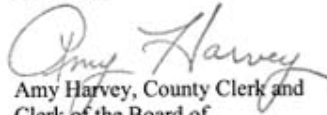
13. The use of straw bales for sedimentation and erosion control is prohibited. Alternative methods complying with the requirements of the Truckee Meadows Best Management Practices Handbook, the County Engineer, and Washoe County Health Department shall be used. The applicant shall prepare a reclamation / noxious weed control plan. The use of topsoil for reclamation obtained where noxious weeds are present shall be in accordance with the reclamation / noxious weed control plan. Growth of noxious weeds on the reclaimed area shall be removed from the pipeline corridor prior to release on the performance bond required in Condition 9. The Department of Community Development and the District Health Department shall determine compliance with this condition.
14. The following conditions shall be completed to the satisfaction of the County Engineer:
 - a. A complete set of construction improvement drawings, including an on-site grading plan, shall be submitted when applying for a building/grading permit. Grading shall comply with best management practices (BMP's) and shall include detailed plans for grading, site drainage, erosion control (including BMP locations and installation details), slope stabilization, and mosquito abatement. Placement or removal of any excavated materials shall be indicated on the grading plan. Silts shall be controlled on-site and not allowed onto adjacent property.
 - b. For construction areas larger than one acre, the developer shall obtain from the Nevada Division of Environmental Protection a Stormwater Discharge Permit or Waiver for construction and submit a copy to the Engineering Division prior to issuance of a grading permit.
 - c. The developer shall complete and submit the Construction Permit Submittal Checklist and pay the Construction Stormwater Inspection Fee prior to obtaining a grading permit. The County Engineer shall determine compliance with this condition.
 - d. A grading bond of \$1,500/acre of disturbed area shall be provided to the Engineering Division prior to any grading.
 - e. Provide documentation of access and easements for the sites to the satisfaction of the County Engineer.

- f. An approved occupancy permit shall be obtained from the Nevada Department of Transportation (NDOT), for access to, from, or under roads and highways maintained by NDOT and a copy of said permit sent to the Engineering Division.
 - g. A U.S. Army Corps of Engineers permit is required for crossing any waters of the U.S.
 - h. All disturbed areas in access easements shall be restored to at least preconstruction condition.
 - i. During construction, access easements shall remain open to allow for local and emergency traffic access.
 - j. The applicant shall obtain a street excavation permit from the Washoe County Engineering Division for all work in the County right-of-way.
15. The following conditions shall be completed to the satisfaction of the Department of Water Resources (DWR):
- a. In accordance with the applicable ordinances, improvement plan checking and construction inspection fees shall be paid with the improvement plan submittal.
 - b. The Applicant shall submit water improvement plans to the DWR for review and approval. A Professional Engineer licensed to practice in the State of Nevada must design the improvement drawings.
 - c. DWR approved improvement plans shall be used for construction. The DWR will be responsible to inspect the construction of the water improvements or appurtenant facilities.
16. Construction activities within 500 feet of residences shall be limited to the hours of 7:00 AM to 6:00 PM Monday through Saturday.
17. Blasting within 1,000 feet of any residence shall require written notification to these residences by the applicant, with a copy of the notice submitted to the Department of Community Development, at least 3 days prior to the scheduled blasting. The Department of Community Development shall determine compliance with this condition.

Page 7
Fish Springs Ranch
April 4, 2006

18. Pumping and supplying water as described in this application shall not commence until a Water Resources Monitoring and Management Plan is approved by the State Engineer and implemented. The applicant or his successors shall strictly adhere to all requirements and controls contained in the Plan concerning the withdrawal of water and the monitoring program. The applicant shall submit a yearly report demonstrating compliance with this condition. The Department of Community Development shall determine compliance with this condition.

Sincerely,


Amy Harvey, County Clerk and
Clerk of the Board of
County Commissioners

/jms

cc: ECO:LOGIC
Attn: John Enloe
10381 Double R Blvd
Reno, NV 89521



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Carson City Field Office
5665 Morgan Mill Road
Carson City, Nevada 89701
<http://www.nv.blm.gov>



MAY - 2 2006

In Reply Refer To:
2800 (NV030)

Nevada Division of Water Resources
Attn: Hugh Ricci, State Engineer
901 S. Stewart St., Ste. 2002
Carson City, NV 89701-5250

Dear Mr. Ricci:

On December 12, 2005, Terri Knutson, of my staff, and I met with Jason King, Robert Martinez, and Richard Felling, of your staff, to discuss the *North Valleys Rights-of-Way Projects Final Environmental Impact Statement - Fish Springs Ranch and Intermountain Water*. Included in Appendix D of this Final EIS is a document called *Recommended Water Resources Monitoring and Management Plan for Future Pumping in Honey Lake Valley, Dry Valley, and Bedell Flat, Nevada* (Plan). As was discussed in the meeting in December, this Plan was developed and recommended in coordination with the Cooperating Agencies for the EIS and for your consideration. The Cooperating Agencies for the North Valleys EIS are: U.S. Fish & Wildlife Service; U.S. Bureau of Indian Affairs; U.S. Geological Survey; Sierra Army Depot; Pyramid Lake Paiute Tribe; Susanville Indian Rancheria; California Department of Water Resources; California Department of Fish and Game; Lassen County, CA; Washoe County, NV; Truckee Meadows Water Authority; Truckee Meadows Regional Planning Agency; Airport Authority of Washoe County; City of Reno; and City of Sparks.

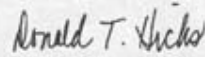
The Final EIS was released to the public on November 10, 2005 and the comment period ended on December 30, 2005. A total of 13 comment letters were received and seven of those letters were from Cooperating Agencies (BIA-Western Nevada Agency and Western Regional Office; Lassen County; California Water Resources; Pyramid Lake Paiute Tribe; Susanville Indian Rancheria; and Truckee Meadows Regional Planning Agency). All but one of the comment letters from the Cooperating Agencies contained revisions for the Plan. Attached is the revised Plan incorporating all comments received from the Cooperating Agencies.

The BLM Carson City Field Office strongly urges the implementation of the attached Plan. As stated in NRS 534.250(5.) "The State Engineer shall require the holder of a permit to monitor the operation of the project and the effect of the project on users of land and other water within the area of hydrologic effect of the project. In determining any monitoring requirements, the State Engineer shall cooperate with all government entities which regulate or monitor, or both, the quality of water." As described in the document, the BLM would not take a lead role in implementing the Plan but would be happy to help or facilitate in any other way needed. Please notify this office of any decisions you make in this matter. The record of decisions (RODs) for

both the Fish Springs Ranch and Intermountain Water Projects should be issued within the next month.

Thank you for your consideration in review of this document. If you have any questions, please call either myself at 885-6000 or Terri Knutson at 885-6156.

Sincerely,



Donald T. Hicks
Manager,
Carson City Field Office

Enclosure: *Revised Recommended Water Resources Monitoring and Management Plan for Future Pumping in Honey Lake Valley, Dry Valley, and Bedell Flat, Nevada*

Cc: U.S. Fish & Wildlife Service; U.S. Bureau of Indian Affairs; U.S. Geological Survey; Sierra Army Depot; Pyramid Lake Paiute Tribe; Susanville Indian Rancheria; California Department of Water Resources; California Department of Fish and Game; Lassen County, CA; Washoe County, NV; Truckee Meadows Water Authority; Truckee Meadows Regional Planning Agency; Airport Authority of Washoe County; City of Reno; and City of Sparks.

REVISED

**RECOMMENDED WATER RESOURCES MONITORING AND
MANAGEMENT PLAN**

**FOR FUTURE PUMPING IN HONEY LAKE VALLEY,
DRY VALLEY AND BEDELL FLAT, NEVADA
NORTH VALLEYS RIGHTS-OF-WAY PROJECTS**
(Submitted to the Nevada State Engineer)

The purpose of this Monitoring and Management Plan (**Plan**) is to describe monitoring and management activities of water resources and related potential impacts due to development of groundwater resources in eastern Honey Lake Valley, Dry Valley, and Bedell Flat associated with the proposed North Valleys Rights-of-Way Projects (**Projects**). This Plan applies to proposed groundwater extraction rates of up to 8,000 acre-feet per year (af/yr) in eastern Honey Lake Valley, 2,000 af/yr in Dry Valley, and 500 af/yr in Bedell Flat. The groundwater would be extracted from these valleys by Fish Springs Ranch and Intermountain Water Supply (**Proponents**) and conveyed via pipelines to the North Valleys Planning Area in Washoe County, Nevada, and also be subject to water right appropriations from the Nevada State Engineer and conformance with Nevada State law concerning adverse impacts to public resources. This Plan is prepared to cover both Proponents; site-specific proposed monitoring activities are presented in **Attachment A** (Honey Lake Valley), **Attachment B** (Dry Valley), and **Attachment C** (Bedell Flat).

It should be recognized that this recommended **Plan** was included in the Final EIS (FEIS) due to the lack of concurrence between Cooperating Agencies and the Project Proponents regarding the adequacy of existing data and hydrologic evaluations (contained in the FEIS) to substantiate sustainable annual groundwater extraction levels in the Project areas. This **Plan** is intended to provide the necessary data, provide an early warning capability and provide safeguards for responsible management of the water resources.

Along with the U.S. Bureau of Land Management (BLM) as lead agency, the following groups are cooperating agencies for the North Valleys Rights-of-Way Projects EIS: U.S. Geological Survey (USGS); U.S. Fish and Wildlife Service (USFWS); U.S. Bureau of Indian Affairs (BIA); Pyramid Lake Paiute Tribe; Sierra Army Depot; California Department of Water Resources; California Department of Fish and Game; Washoe County, Nevada; Lassen County, California; Truckee Meadows Water Authority; Truckee Meadows Regional Planning Agency; City of Reno; City of Sparks; Airport Authority of Washoe County; and

Susanville Indian Rancheria. This group hereinafter is referred to as the “**Cooperating Agencies**”. Because the two project Proponents would eventually be replaced by a local area water purveyor, this potential purveyor should also become a “Cooperating Agency”. The two agencies with primary importance with respect to this Plan are:

- Nevada State Engineer (Nevada Dept. of Conservation and Natural Resources – Division of Water Resources): This state agency has authority to administer the use of water resources in Nevada, including the issuance of water rights.
- U.S. Geological Survey (U.S. Dept. of the Interior): This federal agency is the primary water resources data collection agency in the United States. It is in the process of developing a regional groundwater monitoring program in west-central Nevada and adjoining portions of California.

Because these agencies have the jurisdiction, and over-riding authority and responsibility for the protection of water resources in Nevada and nationwide respectively, they should together provide impartial over sight for development of groundwater for this Project.

This Plan consists of four principal components:

1. Monitoring Requirements, related to production wells, monitoring wells, elevation control, spring flow, water quality, precipitation stations, quality of data, and reporting as proposed in Attachments A, B, and C to this document.

Incorporated in the development of the monitoring plan would be the inclusion of data from *Previous Monitoring*, related to monitoring of surface water and groundwater resources in Honey Lake Valley, Dry Valley, and Bedell Flat, including location of existing supply and monitoring wells, groundwater extraction rates, groundwater level measurements, flow from springs, water quality, precipitation data, and wetland/riparian conditions

2. Management Requirements, related to the creation and role of a Water Advisory Committee (WAC), and a subcommittee of the WAC – the Technical Advisory Committee (TAC), continued use of numerical groundwater flow models, establishment of action criteria, and details of the decision-making process;

3. Mitigation Measures, related to potential mitigation measures that could be implemented if “unreasonable adverse impacts” (to be defined) occur as a result of groundwater extraction associated with the North Valleys Projects; and
4. Modification of Plan, related to procedures that could be followed to modify the Plan if future changing conditions or mitigations warrant modifications.

The common goal of the Proponents, BLM, Cooperating Agencies, and the Nevada State Engineer (all referred to as “**Parties**”) in proposing and adopting this plan is to develop water resources data relating to a better understanding and analysis to assist the Nevada State Engineer in managing development of groundwater resources in Honey Lake Valley, Dry Valley, and Bedell Flat without resulting in unreasonable adverse impacts to public resources and the prior water rights of other appropriators (i.e., receptors). The Parties agree that groundwater extraction and management decisions can be based on data collected and analyzed for these proposed Projects and from the USGS proposed regional monitoring program. The Parties will collaborate via the WAC on technical data collection and analysis provided by the TAC.

The Parties acknowledge that pursuant to NRS 534.110(4) each right to appropriate groundwater in the State of Nevada carries with it the right to make a reasonable lowering of the static groundwater level at the appropriator’s point of diversion and that pursuant to NRS 534.110(5) the Nevada State Engineer may allow, at his discretion, the groundwater level to be lowered at the point of diversion of a prior appropriator with the provision that rights of holders of existing appropriations can be satisfied under such express conditions.

The Parties expressly acknowledge that the Nevada State Engineer has, pursuant to both statutory and case law, broad authority to administer groundwater resources in the State of Nevada. The Pyramid Lake Reservation is held in Trust by the United States government. The U.S. and its representative, the BIA hold legal authority and jurisdiction over water resources located on the Reservation. Nothing contained in this Plan shall be construed as waiving or diminishing such authorities.

MONITORING REQUIREMENTS

The Final EIS for the North Valleys Rights-of-Way Projects contains information about water resources data in Honey Lake Valley, Dry Valley, Bedell Flat, and surrounding areas. This information includes location of existing supply and monitoring wells, groundwater extraction rates, groundwater level measurements, flow from springs, water quality, precipitation data, and wetland/riparian conditions. This information, as well as data

available from other local, state, and federal agencies, would be compiled into a central database that would be expanded as new data are collected.

Generally, project specific monitoring may be the responsibility of the Proponents as recommended or agreed to by the TAC; however, the USGS is in the process of developing a regional groundwater monitoring program in west-central Nevada and adjoining portions of California (i.e., “Regional Study Area”). Objectives are to develop a network of monitoring wells in the Regional Study Area to monitor and document any regional effects of future groundwater development and management on groundwater levels, water quality, and groundwater discharge.

The USGS regional monitoring network would be designed to supplement rather than replace individual project monitoring programs. For example, Project monitoring would be conducted by the technical agents of the Proponents, while the USGS monitors other wells within Honey Lake Valley, Dry Valley, Bedell Flat, and surrounding basins. The USGS monitoring may include wells in the Project monitoring groups. In addition to the Proponents, Washoe County, Lassen County, and/or other agencies also may volunteer to participate in some monitoring activities.

The term “as is feasible” as used in this Plan shall relate to mechanical failures or other events/reasons outside the control of the Parties, or agreed by the Parties, that do not permit data collection.

Production Wells

- Discharge rates and groundwater levels may be measured in production wells on a continuous or frequent basis, as is feasible, using permanent recording devices. Water levels could be measured during pumping and non-pumping periods.
- The proposed action includes six production wells at the Fish Springs Ranch property in eastern Honey Lake Valley, five wells in Dry Valley, and two wells in Bedell Flat.
- All monitoring data may be entered into a project database recommended by the TAC.

Monitoring Wells

- A network of monitoring wells has been proposed by the Proponents to measure groundwater levels over time. Monitoring wells are located in Honey Lake Valley (**Attachment A**), Dry Valley (**Attachment B**), Bedell Flat (**Attachment C**). These

proposed monitoring networks would be subject to concurrence from the TAC. The USGS likely could establish additional monitoring wells in the Regional Study Area that includes some surrounding valleys that may be affected by groundwater extraction (e.g., Smoke Creek Desert, Pyramid Lake Valley, Warm Springs Valley, Antelope Valley, and/or Long Valley).

- Groundwater levels can be measured, as feasible, using permanent recording devices in selected monitoring wells. For those monitoring wells without continuous monitoring instruments, water levels could be measured initially on a quarterly basis to establish seasonal variations, followed by semi-annual or annual measurements after such seasonal trends have been established.
- The TAC may recommend that new monitoring well(s) be installed in key areas where there are no existing wells available for monitoring. These new wells can be located and constructed in a cost-effective manner, while meeting the objectives of early-warning detection of impacts, if any, from proposed groundwater extraction. Consideration could be given to completing nested wells that monitor individual aquifers at a single location. The Proponent(s) may be responsible for completing new monitoring well(s), unless another member of the Parties or the USGS agrees to complete the well(s).
- Initiation of groundwater level monitoring should commence as soon as possible, recognizing the desire to obtain baseline data prior to groundwater extraction. Groundwater levels should be measured in each aquifer from which ground water is extracted, as is feasible, in basins including and immediately surrounding Honey Lake Valley, Dry Valley, and Bedell Flat.
- Locations and monitoring frequency of the monitoring well network would be reviewed by the TAC on an annual basis, and may be reduced or expanded in scope upon its recommendation to the WAC.
- All groundwater level monitoring data would be entered into the project database on a regular basis, reflecting the monitoring interval chosen.

Elevation Control

- Ground surface and measuring point elevations should be established using survey-grade GPS instrumentation at production and monitoring wells used as part of this Plan. Elevations for surface water and spring monitoring Locations should also be established.

The common datum would allow a comparative base for all elevation associated data; including the possibility of the occurrence of subsidence due to groundwater extraction.

- All elevation measurements would be added to the project database that contains project data.

Monitoring Springs and Riparian Areas

- Selected springs and associated riparian areas could be monitored on a quarterly basis located in Honey Lake Valley (**Attachment A**), Dry Valley (**Attachment B**), Bedell Flat (**Attachment C**), and some surrounding valleys that may be affected by groundwater extraction (e.g., Smoke Creek Desert). Monitoring may consist of measuring flow rate and photo-documenting general site conditions (see attachments for proposed site-specific monitoring activities). Flow can be estimated for low flow conditions or where flow is diffuse on the ground surface. Monitoring frequency may be reduced later as recommended by the TAC to semi-annually or annually.
- Initiation of monitoring for springs and riparian areas could commence as soon as possible, recognizing the desire to obtain baseline data prior to groundwater extraction. Monitoring data may be recorded using a standard format to be used for each monitoring event.

Water Quality

- Groundwater quality samples may be collected from selected production and monitoring wells and analyzed by a laboratory for major ions, trace elements, and/or isotopes. Wells to be sampled, schedule of sample collection, and list of parameters are included in **Attachments A, B, and C**.
- Frequency, sampling location, and water quality parameters may be reviewed by the TAC on an annual basis, and reduced or expanded in scope upon its recommendation to the WAC.

Precipitation Stations

- Precipitation stations would be established in each of the following locations: eastern Honey Lake Valley, western Dry Valley, and central Bedell Flat. Existing precipitation stations may be used where possible. The purpose of collecting precipitation data is to

support conclusions regarding changes in groundwater levels with corresponding changes in precipitation, if it occurs.

- All precipitation data would be entered into the project database.

Quality of Data

- The TAC would ensure that the entity or entities that collect water resources data follow standard protocols of data collection, recording and analysis (e.g., USGS and EPA), unless otherwise agreed to by the Parties.
- The water quality sampling program would include standard field and laboratory quality control procedures.

Reporting

- All data collected under or as described in this Plan, would be fully and cooperatively shared among the Parties, and made available to the public after appropriate QA/QC evaluation procedures have confirmed its accuracy.
- All water resources information collected for the North Valleys Projects would be downloaded to the project database and updated periodically on a website that is accessible to all Parties and the public.
- In addition to updating the water resources project database on a regular basis, an annual summary report would be prepared by the TAC that summarizes all information collected during the previous calendar year, including an analysis of any trends. These reports would be provided to the WAC for annual assessment of potential impacts to water resources resulting from groundwater extraction in Honey Lake Valley, Dry Valley, and Bedell Flat.

MANAGEMENT REQUIREMENTS

Water Advisory Committee (WAC) and Technical Advisory Committee (TAC)

These two committees are to establish and carry out policy (WAC), and to provide the technical scientific expertise (TAC) necessary to impartially develop, evaluate and analyze data. Separation of the roles and responsibilities of these two bodies is crucial to the maintenance of scientific impartiality of the data program.

- The Parties would establish a Water Advisory Committee (WAC) with membership created from representatives from cooperating agencies listed above, BLM, Project Proponents, and Nevada State Engineer. The WAC may also include representatives from the U.S. Environmental Protection Agency and U.S. Army Corps of Engineers. A representative of the Nevada State Engineer's Office would be invited to participate as the chair of the WAC.
- The WAC would create a Technical Advisory Committee (TAC) as a subcommittee to the WAC. TAC members would be appointed by the WAC.
- The WAC would meet in the first quarter of each year, or at other times as mutually agreed upon.
- The TAC would meet initially to establish and execute the monitoring plan and, thereafter, at intervals deemed appropriate to review and analyze data.
- Roles and responsibilities of the WAC and TAC would be determined by the Parties under advisement of the Nevada State Engineer's Office.

Suggested purposes and functions of the WAC would be to:

1. Provide a forum for discussion of relevant data and analyses.
2. Share information regarding modeling efforts and model results, if used as part of the monitoring and management program.
3. Discuss needs for additional data collection and scientific investigations as recommended by the TAC.
4. Provide status reports and recommendations to the Parties.
5. Form recommendations for groundwater management actions based on reports from the TAC.
6. Recommend values for monitored variables (water levels, spring discharges, etc.) known as "action criteria", which, if exceeded, could be of concern to the parties. The values would be based on evaluations of historic hydrologic conditions and trends reported by the TAC.
7. Determine what constitutes an "unreasonable adverse impact" on a case-by-case basis.
8. Provide the Nevada State Engineer, Washoe County, and other relevant agencies with results of any analyses or technical evaluations, along with recommendations for specific mitigation.

Suggested purposes and functions of the TAC would be to:

1. Review proposed project monitoring plans and recommend implementation as appropriate.
2. Review historic groundwater level trends, spring and creek flows to determine historic hydrologic trends. Where possible identify wet and dry regimes, climate effects on groundwater recharge rates and base flows in surface waters. Where possible identify critical lows for detrimental impacts on habitat and resource sustainability.
3. Develop/refine standards and quality control procedures for data collection, management and analysis.
4. Evaluate monitoring plans and data to determine whether data gaps exist, make appropriate recommendations to the WAC.
5. Evaluate all monitoring data to determine if any action criteria have been exceeded, indicating a possible unreasonable adverse impact, report findings to the WAC.

Numerical Ground-Water Flow Models

- The TAC can recommend if numerical groundwater flow models that have previously been prepared for the North Valleys Projects for each of the three basins could be updated for use by the TAC/WAC for predicting future impacts.
- If deemed appropriate by the TAC/WAC, the full TAC or members of the TAC could update each model at the request of the Nevada State Engineer. Model output could be in the form of drawdown maps at appropriate intervals as requested by the State Engineer, plots of simulated water levels for the aquifer systems, and results of model calibration. The TAC would provide scientific review of modeling updates and hydrogeologic assumptions.

Action Criteria

- Specific quantitative criteria (action criteria) would be developed by the WAC, based on data developed by the TAC, and recommended to the Nevada State Engineer for possible use to “trigger” management actions.
- Action criteria would be developed by the WAC and recommended to the Nevada State Engineer to provide early warning of unreasonable adverse impacts to public

resources and prior water rights of other appropriators. These criteria would be based on changes in groundwater levels, flow of springs, water quality, and/or changes in wetland/riparian habitat that can be attributed to groundwater extraction by the Project(s).

- If and when any action criterion is reached, the following management actions could be triggered:
 1. The WAC would request that the TAC conduct a thorough fact-finding to determine the level and extent of impacts, the TAC would report findings to the WAC;
 2. If WAC members agree that the action criterion exceedance is attributable to groundwater extraction by the Project(s), then the TAC would make recommendations to the WAC for possible mitigation actions to alleviate the impacts;
 3. The WAC members would determine whether or not to implement the recommended mitigation actions. The Nevada State Engineer's Office would determine whether the appropriate actions were implemented to conserve the resource.
- In the event that adverse environmental impacts are found to be unrelated to Project operations, the Nevada State Engineer should consult with the USGS regarding regional hydrologic conditions that may be contributing to the impacts.
- Any member of the WAC may propose a change to any action criterion. Any such change could be presented in writing to other members of the WAC, and accompanied by data and scientific analyses to support the proposed change. If the supporting analyses are found to be technically sound, then the WAC may recommend to the Nevada State Engineer that the action criterion be adjusted, as appropriate.

Decision-Making Process

- If the WAC determines that an action criterion is exceeded and attributed to groundwater extraction by the Project(s), based on reports from the TAC, the WAC can recommend a course-of-action (i.e., management activity or mitigation measure). If within the WAC, there are: (1) different interpretations regarding relationship of an adverse impact to the Project's groundwater extraction; or (2) different opinions on the course-of-action, the Parties may jointly agree to conduct additional data collection and/or data review and analysis directed at resolving the different interpretations or

opinions, if possible. If that is not successful, the Parties could refer the issue to their respective managers and the Nevada State Engineer. Nothing herein limits or changes the Nevada State Engineer's authority, and any Party can petition the State Engineer to consider the issue.

- In the event that any of the Parties disagree as to whether the Proponents' proposed or ongoing groundwater extraction will result in unreasonable adverse impacts, any Party may petition the Nevada State Engineer to request that it determine whether there is or is not adverse impact(s) that require implementation of management or mitigation measures.

MITIGATION MEASURES

- The Project(s) can mitigate unreasonable adverse impacts either as agreed upon by the Parties or after the Nevada State Engineer determines whether there are unreasonable adverse impacts due to Project(s) groundwater extraction. The Parties may take necessary steps to ensure that mitigation actions are feasible and reasonable.
- The mitigation portion of the plan should include a bond or escrow account established by the Project Proponents to fund possible mitigation actions.
- Mitigation measures may include one or more of the following:
 1. Geographic redistribution of groundwater extraction;
 2. Reduction or cessation of groundwater extraction from one or more wells;
 3. Restoration/modification of existing habitat;
 4. Establishment of new habitat;
 5. Augmentation of water resources with groundwater extracted for the Project(s);
 6. Purchase other water rights in the area, if available;
 7. Other measures as agreed to by the Parties and/or required by the Nevada State Engineer.

MODIFICATION OF THE PLAN

- The Parties may modify this Plan by mutual agreement. The Parties also acknowledge that the Nevada State Engineer has authority to modify this Plan. In addition, the Parties may individually or jointly petition the Nevada State Engineer to modify this Plan in the event that mutual agreement cannot be reached. Any such petition shall only be filed

after 90 days written notice to the remaining Party members. Any Party member, including the Proponents, may submit written comments to the Nevada State Engineer regarding the merits of any such petition for modification.

ATTACHMENT A

PROPOSED MONITORING PLAN FOR HONEY LAKE VALLEY

ATTACHMENT A PROPOSED WATER RESOURCES MONITORING PLAN FOR HONEY LAKE VALLEY AREA

This water resources monitoring program is proposed by Fish Springs Ranch for groundwater extraction of up to 8,000 acre-feet per year (af/yr) from six production wells located in eastern Honey Lake Valley, Nevada. The monitoring program would document changes that could be caused by the transition from agricultural pumping to a municipal well field, with groundwater pumped and transported to the Stead/Lemmon Valley areas.

GROUNDWATER LEVELS

In 2003-04, Fish Springs Ranch equipped 14 wells with pressure transducers that automatically record water levels every hour. These wells are shown on **Figure D-1** and are all located in the Nevada portion of eastern Honey Lake Valley. Most of these wells are completed in valley-fill deposits and/or volcanic bedrock. One of the wells (Jarboe MW-1) is completed in alluvial deposits which overlie the volcanic rock aquifer that is monitored by Jarboe MW-2. The existing monitoring network will be expanded to include a monitoring well near the California-Nevada state line.

The proposed six new production wells for Fish Springs Ranch would each be located near one of the existing monitoring wells. Each production well will be equipped with a flow meter to record cumulative water production. Cumulative well production will be recorded at least once per month along with manual measurements of depth to water table made at least weekly at each production well.

Ground surface and measuring point elevations will be measured at each production and monitoring well using a survey-grade GPS instrument. Groundwater level data will be downloaded at least semiannually into a project database and the accuracy of the

measurements checked with manual measurements using an electronic sounder. Future groundwater monitoring will be performed by the well field operator and USGS.

Sand and Astor Pass Wells

The monitoring network includes the Sand and Astor Pass areas. One monitoring well is located in the Sand Pass area (Sand Pass MW-1) and two monitoring wells are located in the Astor Pass area (Astor Pass MW-1 and MW-2) (**Figure D-1**). Each is equipped with a recording pressure transducer.

Well Field Perimeter Wells

The monitoring network includes four wells located around the perimeter of the primary well field. These include Neversweat MW-2, Cottonwood MW-2, BB MW-A, and Ferrel Playa Well (**Figure D-1**). Each well is equipped with a recording pressure transducer.

California-Nevada Border

The monitoring well network will be expanded to include an existing well located west of the well field near the California-Nevada border. Prospective wells include USGS-1, USGS-4, or LB-2 (**Figure D-1**). These wells are located approximately 1 mile west of the state line. Permission to utilize the well would be sought from the respective owners. The selected well would be equipped with a recording pressure transducer.

Regional Wells

The USGS will monitor water levels periodically in regional wells that are located within Honey Lake Valley and in other surrounding basins. Specific well locations will be established by the USGS in the near future and added to this monitoring plan at that time.

GROUNDWATER QUALITY

Groundwater quality samples will be collected from all six production wells and selected monitoring wells and analyzed by a laboratory for major ions, trace elements, and/or isotopes. The wells to be sampled, schedule of sample collection, and list of parameters are described below.

The wells to be sampled for laboratory analysis include all production wells and the following monitoring wells: Neversweat MW-2, Cottonwood MW-2, BB MW-A, Ferrel Playa Well, Schaufus Well, and Wilson MW-1 (**Figure D-1**).

The following parameters will be measured in each water sample:

- Field Parameters: Water temperature, pH, and specific conductance.

- Common Ions: Calcium, sodium, potassium, magnesium, chloride, fluoride, sulfate, bicarbonate, nitrate, total dissolved solids, and total suspended solids.
- Trace Elements: Arsenic, barium, copper, iron, lead, manganese, and zinc.
- Isotopes: Oxygen-18 and deuterium.

More extensive water quality analysis will be performed for samples from the production wells to meet Safe Drinking Water requirements. Samples will be collected and analyzed from the selected wells on a quarterly basis for the first two years of production well pumping to establish seasonal variations. Thereafter, the wells will be sampled and analyzed semiannually. An exception is that the isotopes will be analyzed only once per year for the first two years.

Frequency, sampling location, and water quality parameters will be reviewed by the WAC on an annual basis, and may be reduced or expanded in scope upon its recommendation.

SPRINGS AND RIPARIAN AREAS

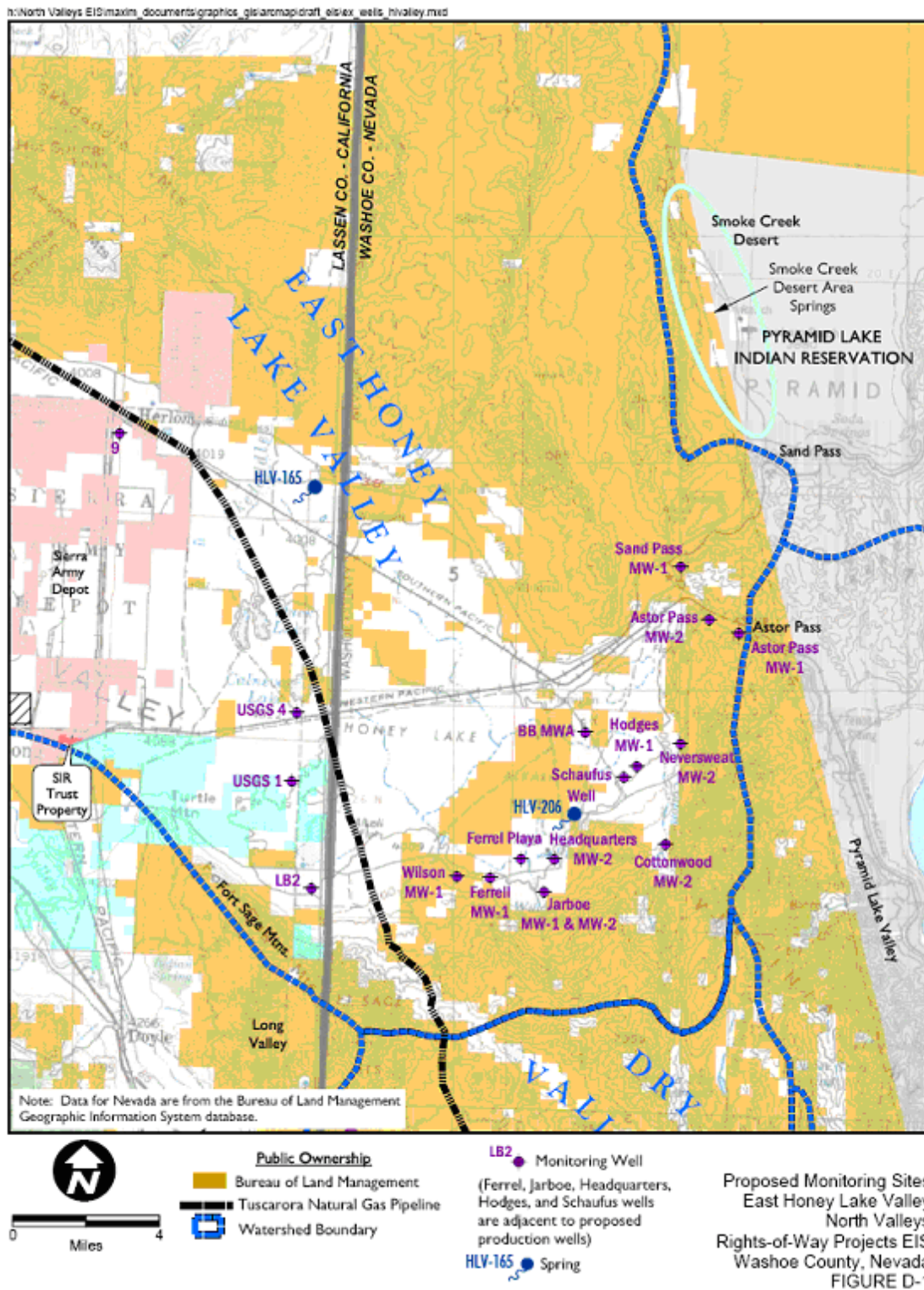
Selected springs and associated riparian areas will be monitored in eastern Honey Lake Valley to determine if pumping from Fish Springs Ranch would have an adverse effect on flow and/or vegetative conditions. The springs selected for monitoring are: HLV-206 (depressional wetland area); HLV-165 (High Rock Spring inside CA border); and one of the springs in Smoke Creek Desert near Sand Pass (HLV-168 through HLV-183) (**Figure D-1**). Monitoring activities will be conducted on a quarterly basis, with information periodically entered into the project database. Monitoring activities will include the following:

- Flow: Flow rate of water discharging from the spring will be measured using a flow meter or portable flume. Alternatively, a staff gage can be installed to measure relative changes in water level if the flow is in a well-defined channel. For low flows or dispersed flows on the ground surface, flows can be estimated.
- Photo-Documentation of Vegetation: One or more photographs will be taken of the spring site from the same location each time so that relative changes in vegetation and overall site conditions can be evaluated.

PRECIPITATION

A precipitation gage will be installed at Fish Springs Ranch to measure precipitation amount on a daily basis. This information will be recorded weekly by the well field operator, and periodically entered into the project database.

FIGURE D-1: Proposed Monitoring Wells and Springs in Eastern Honey Lake Valley



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

INFORMATION ON TAKING APPEALS TO THE INTERIOR BOARD OF LAND APPEALS

DO NOT APPEAL UNLESS

1. This decision is adverse to you,
AND
2. You believe it is incorrect

IF YOU APPEAL, THE FOLLOWING PROCEDURES MUST BE FOLLOWED

- | | |
|--|--|
| 1. NOTICE OF APPEAL | A person served with the decision being appealed must transmit the <i>Notice of Appeal</i> in time for it to be filed in the office where it is required to be filed within 30 days after the date of service. If a decision is published in the FEDERAL REGISTER, a person not served with the decision must transmit a <i>Notice of Appeal</i> in time for it to be filed within 30 days after the date of publication (43 CFR 4.411 and 4.413). |
| 2. WHERE TO FILE NOTICE OF APPEAL | U.S. Department of the Interior, Bureau of Land Management, Carson City Field Office, 5665 Morgan Mill Road, Carson City, NV 89701 |
| WITH COPY TO SOLICITOR | U.S. Department of the Interior, Office of the Solicitor, Pacific Southwest Region, 2800 Cottage Way, Room E-2753, Sacramento, CA 95825-1890 |
| 3. STATEMENT OF REASONS | Within 30 days after filing the <i>Notice of Appeal</i> , file a complete statement of the reasons why you are appealing. This must be filed with the United States Department of the Interior, Office of Hearings and Appeals, Interior Board of Land Appeals, 801 N. Quincy Street, MS 300-QC, Arlington, Virginia 22203. If you fully stated your reasons for appealing when filing the <i>Notice of Appeal</i> , no additional statement is necessary (43 CFR 4.412 and 4.413). |
| WITH COPY TO SOLICITOR | U.S. Department of the Interior, Office of the Solicitor, Pacific Southwest Region, 2800 Cottage Way, Room E-2753, Sacramento, CA 95825-1890 |
| 4. ADVERSE PARTIES | Within 15 days after each document is filed, each adverse party named in the decision and the Regional Solicitor or Field Solicitor having jurisdiction over the State in which the appeal arose must be served with a copy of: (a) the <i>Notice of Appeal</i> , (b) the Statement of Reasons, and (c) any other documents filed (43 CFR 4.413). If the decision concerns the use and disposition of public lands, including land selections under the Alaska Native Claims Settlement Act, as amended, service will be made upon the Associate Solicitor, Division of Land and Water Resources, Office of the Solicitor, United States Department of the Interior, Washington, D.C. 20240. If the decision concerns the use and disposition of mineral resources, service will be made upon the Associate Solicitor, Division of Mineral Resources, Office of the Solicitor, United States Department of the Interior, Washington, D.C. 20240. |
| 5. PROOF OF SERVICE | Within 15 days after any document is served on an adverse party, file proof of that service with the United States Department of the Interior, Office of Hearings and Appeals, Interior Board of Land Appeals, 801 N. Quincy Street, MS 300-QC, Arlington, Virginia 22203. This may consist of a certified or registered mail "Return Receipt Card" signed by the adverse party (43 CFR 4.401(c)). |
| 6. REQUEST FOR STAY | Except where program-specific regulations place this decision in full force and effect or provide for an automatic stay, the decision becomes effective upon the expiration of the time allowed for filing an appeal unless a petition for a stay is timely filed together with a <i>Notice of Appeal</i> (43 CFR 4.21). If you wish to file a petition for a stay of the effectiveness of this decision during the time that your appeal is being reviewed by the Interior Board of Land Appeals, the petition for a stay must accompany your <i>Notice of Appeal</i> (43 CFR 4.21 or 43 CFR 2801.10 or 43 CFR 2881.10). A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of the <i>Notice of Appeal</i> and Petition for a Stay must also be submitted to each party named in this decision and to the Interior Board of Land Appeals and to the appropriate Office of the Solicitor (43 CFR 4.413) at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

Standards for Obtaining a Stay. Except as otherwise provided by law or other pertinent regulations, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards: (1) the relative harm to the parties if the stay is granted or denied, (2) the likelihood of the appellant's success on the merits, (3) the likelihood of immediate and irreparable harm if the stay is not granted, and (4) whether the public interest favors granting the stay. |

Unless these procedures are followed, your appeal will be subject to dismissal (43 CFR 4.402). Be certain that all communications are identified by serial number of the case being appealed.

NOTE: A document is not filed until it is actually received in the proper office (43 CFR 4.401(a)). See 43 CFR Part 4, subpart b for general rules relating to procedures and practice involving appeals.

(Continued on page 2)

43 CFR SUBPART 1821--GENERAL INFORMATION

Sec. 1821.10 Where are BLM offices located? (a) In addition to the Headquarters Office in Washington, D.C. and seven national level support and service centers, BLM operates 12 State Offices each having several subsidiary offices called Field Offices. The addresses of the State Offices can be found in the most recent edition of 43 CFR 1821.10. The State Office geographical areas of jurisdiction are as follows:

STATE OFFICES AND AREAS OF JURISDICTION:

Alaska State Office ----- Alaska
Arizona State Office ----- Arizona
California State Office ----- California
Colorado State Office ----- Colorado
Eastern States Office ----- Arkansas, Iowa, Louisiana, Minnesota, Missouri
and, all States east of the Mississippi River
Idaho State Office ----- Idaho
Montana State Office ----- Montana, North Dakota and South Dakota
Nevada State Office ----- Nevada
New Mexico State Office ----- New Mexico, Kansas, Oklahoma and Texas
Oregon State Office ----- Oregon and Washington
Utah State Office ----- Utah
Wyoming State Office ----- Wyoming and Nebraska

(b) A list of the names, addresses, and geographical areas of jurisdiction of all Field Offices of the Bureau of Land Management can be obtained at the above addresses or any office of the Bureau of Land Management, including the Washington Office, Bureau of Land Management, 1849 C Street, NW, Washington, DC 20240.

(Form 1842-1, September 2005)